This record is a partial extract of the original cable. The full text of the original cable is not available.

CONFIDENTIAL TEL AVIV 006385

SIPDIS

E.O. 12958: DECL: 11/08/2015

TAGS: PGOV IS ELECTIONS GOI INTERNAL

SUBJECT: SHARON PICKS SHOWDOWN WITH LIKUD REBELS

REF: TEL AVIV 6247

Classified By: Political Counselor Norman Olsen for reasons 1.4 (b.d).

- (C) Prime Minister Sharon brought dissension in Likud to a head November 7 when he knowingly pushed forward his package of Cabinet nominations to predictable defeat in the Knesset. In a -- notably -- prepared speech to the Knesset after it voted down the nominations of Ehud Olmert, Roni Bar-On, and Ze'ev Boim, 60-54, Sharon blamed the eight Likud anti-disengagement "rebels" who have opposed him at every turn over the past year for "foiling a move...aimed at strengthening the Likud." Observers speculate that, with an eye toward early elections, Sharon sought the doomed vote to cast the rebels -- a group that includes his arch-rival Binyamin Netanyahu -- as not worthy of Likud support. After the vote, Sharon quickly convened an emergency Cabinet session to authorize moving the nominations of Olmert and of Labor Party MK Matan Vilna'i as Science Minister to a Knesset vote separate from those of Boim and Bar-On, resulting in their subsequent Knesset confirmation, 71-41 that same night. (Note: Sharon was under pressure to move forward Olmert's nomination, since, as of November 9, Olmert's temporary tenure in that capacity would lapse and the government would be without a finance minister. End note.)
- (C) Rather than indicate that he would work toward any compromise proposal with the rebels, Sharon said late November 7 after the Knesset rejected his package nominations that the rebels' opposition to the nominations would result in "consequences." The Likud rebels went on November 8 to threaten to oppose Sharon on the budget if he does not accommodate their demands, one of which reportedly is that he expand settlement construction in the West Bank. Observers continue to speculate that the possible moves Sharon is considering include early elections and/or joining Likud's more moderate members with those of Labor and Shinui to create a new centrist party -- the so-called "big bang." In a "boy who cried wolf" syndrome, however, threats by Sharon and his inner circles of early elections or of splitting Likud have reportedly lost credibility among the rebels. Minister-without-Portfolio Chaim Ramon of the Labor Party told the Ambassador November 8 that he believes Sharon is considering whether to go to early primaries in Likud or break with Likud to form a new party. Whatever the case, Ramon predicted that the Likud rebels will continue to make demands on Sharon for their budget support, thereby driving Sharon to elections in the first half of 2006, rather than in November 2006 as scheduled. If the Likud rebels vote with the opposition, as they did in the November 7 vote on the package of Cabinet nominations, Sharon's coalition dwindles to 59, two MKs less than an absolute majority. While only a simple majority is needed to pass the budget, all 120 Knesset members typically participate in budget votes.
- (C) Observers are divided on whether, given Sharon's current popularity, it would be in his interest to seek early elections. Former Labor Party candidate for prime minister Amram Mitzna told Poloff November 3 that he could only speculate on what Sharon would do in the end, since "no one really knows what (Sharon) is up to." He continued that given Sharon's current political strength, however, "it is best (for Sharon) to go to elections as soon as possible, as time will not serve him." Echoing comments to the Ambassador by senior Sharon advisor Dov Weissglas, the November 4 Jerusalem Post reported that several Sharon advisors, including Weissglas, have "reportedly told Sharon to go to elections as soon as possible...." The article said that other advisors, including Sharon's son MK Omri Sharon, have suggested to Sharon that he "keep the government together, at least until the next crisis comes around.

Visit Embassy Tel Aviv's Classified Website: http://www.state.sgov.gov/p/nea/telaviv

Classified SIPRNET website. ******** *******************

JONES